



Johannesburg
Stock Exchange

Tel: +27 11 520 7000
Fax: +27 11 520 8584

www.jse.co.za

SERVICE HOTLINE

REFERENCE NUMBER: 148/2019

17 July 2019

INCIDENT UPDATE FOR 11 JULY 2019

The JSE was unable to open the equity derivative and currency derivative markets for trading on 11 July 2019. We experienced an error which prevented the execution of our clearing system end-of-day (EOD) processes for 10 July 2019. A knock-on consequence was that the dependent overnight maintenance processes and start-of-day (SOD) processes for 11 July 2019 could not be run. As such, we could not open for trading in the two impacted markets on 11 July 2019.

JSE and our vendor's teams worked through the night on 10 July 2019 to determine the root cause of the EOD process error. This was found to be an extremely complex exercise and was only fully understood by the afternoon of 11 July 2019. The root cause of the issue was found to be incorrect input data into the margin calculation for 25 instruments, and this was immediately and easily rectified once identified. Then EOD processing for 10 July 2019 could commence, followed by EOD processing for 11 July 2019.

All JSE systems for the equity derivative and currency derivative markets were back in sync in time for normal business resumption of all trading and clearing processes on 12 July 2019. No issues were experienced on 12 July 2019.

The root cause was easy to rectify once identified. However, limitations in our data validation processes, and in our system process validation and error management processes, prevented us from quickly identifying and isolating the error. We have already implemented some improvements in our data validation processes, and further systematic validation and error-handling improvements are planned for both the relevant JSE systems as well as the clearing system.

Market / Services:

JSE Derivative Markets

- Equity Derivatives
- Currency Derivatives

Environment(s):

Production

Additional Information:

If you have any queries about this announcement, please contact the Client Services Centre (CSC) on +27 11 520 7777 or e-mail Customersupport@jse.co.za

Issued By:

JSE Clearing and Settlement